1. Notice §7.1.2. [Awards] 15 points for Enterprise Green Communities. The issue is the incompatibility with the Qualified Allocation Plan for LIHTC which uses National Green Building Standards (NGBS) bronze. If your LIHTC allocation contains a commitment to NGBS can this be substituted for Enterprise Green Communities or you would end up having to do both which seems very duplicative. Answer: The QAP does not require NGBS Bronze, per se. Under the 2020 QAP (assuming that is the point of reference for the inquiry) at §V.A.10.iv., a property must meet one of four green building certification standards (which includes both NGBS and Green Communities Criteria). OCD would work with LHC to determine whether the Enterprise Green Communities Standard could be substituted for a developer’s prior selection of and commitment to the NGBS Standard. If that was infeasible, the OCD would accept the NGBS standard in lieu of the NOFA requirement for the Green Communities standard.

2. Does OCD want the Applicant to have the Environmental Review Record prepared by a qualified environmental consultant, or does OCD intend to prepare the Environmental Review Record itself? Answer: OCD expects the Environmental Review Record would be performed by a qualified environmental services firm, working for the developer.

3. Under §2. Readiness to Proceed the requirement is a Phase 1 ESA which is further clarified under 7.2.1 Environmental Clearance Readiness as a full ESA under 24CFR58 NEPA with Statutory Checklist. However for 20 points it says environmental clearance is complete with authority to use grant funds OR 10 points if environmental assessments done and submitted to the responsible entity. Absent a LIHTC deal already having HOME or CDBG funds there would be no authority to use grant funds and even so that authority would be from that responsible entity such as LHC or other. As I understand the NOFA, OCD is making the loan and is the responsible party, so while you can have your ESA done on or before the Fast GAP deadline there is no responsible entity to submit the report to as OCD is the responsible entity. Also on past deals where there was a blend of HOME or CDBG funds awarded by LHC then a separate award of CDBG funds from OCD two separate environmental clearances were required. As such it seems that there is no way to qualify for the 20 or 10 points as OCD has to make the award then issue environmental clearance or alternately start the process of environmental clearance before the applications are funded under the NOFA. Any clarification would be appreciated. Answer: If a property has existing commitments of funding which require environmental clearance, and if that property has already received clearance from the Responsible Entity, then it will receive 20 points. We acknowledge that there will be applications which have not previously been awarded HOME or CDBG, and which will not therefore qualify for points (20) for an existing AUGF or (10) for having submitted to the Responsible Entity. These scoring points are intended to preference
transactions which have already undergone environmental review, and for which an additional allocation under FG will generally require additional documentation but will not require an entirely new environmental process. In cases where there are awards from both the LHC and OCD, there are approaches in which inter-agency cooperation can eliminate unnecessary duplication—such situations are handled individually.

4. No Section Reference. We are experiencing a large gap in what our insurance will pay from the multiple federally declared disasters in 2020 and 2021 which affected our portion of the state and the prices we have received in bids. Can this grant program (sic) be used to bridge the gap between the two? This work would be rehabilitation. Answer: As stated in the NOFA, “FAST GAP will primarily address financing needs of affordable multifamily rental housing development transactions which have failed to close due to a financing gap resulting from construction cost increases and/or changes in originally sufficient financing commitments which occurred prior to financial closing.” As such, the program is intended to provide funding to enable financial closing with balanced sources and uses for otherwise qualifying transactions; it is not intended to address insurance gaps, or other financial crises of existing and currently operational properties.

5. No Section Reference. We have a property that due to age and useful condition we would like to demolish and rebuild using a HUD program that would move our funding from a public housing format to a project-based housing choice voucher format. Would that qualify under this grant program? Answer: No. See prior answer.

6. No Section Reference. Modify the Fast Gap NOFA to 1) consider projects that receive 2022/2023 Disaster Recovery 9% LIHTC awards from LHC in the immediate future (with a NOFA award contingent on a 2022/2023 9% LIHTC award) and 2) increase the maximum CDBG-DR award to $6 million. These proposed modifications will allow for nearly shovel ready projects that have already applied for a reservation of 2022/2023 Disaster Recovery 9% credits...to expeditiously compete for CDBG-DR under the Fast Gap NOFA. Answer: Fast Gap is intended for projects which have existing commitments, which are insufficient, but which with an award (of up to the maximum available amount stipulated at NOFA §3) would be sufficient to fund all projected development costs.